

UNITED STATES BANKRUPTCY COURT  
SOUTHERN AND WESTERN DISTRICTS OF TEXAS  
Houston DIVISION

CASE NAME: Square Melons Inc

Petition Date: 09/24/2018

CASE NUMBER: 18-35304

MONTHLY OPERATING REPORT SUMMARY FOR MONTH December YEAR 2018

MONTH	<u>December</u>					
REVENUES (MOR-6)	<u>6,170.00</u>					
INCOME BEFORE INT, DEPREC./TAX (MOR-6)	<u>-1,351.61</u>					
NET INCOME (LOSS) (MOR-6)	<u>-1,351.61</u>					
PAYMENTS TO INSIDERS (MOR-9)	<u>841.95</u>					
PAYMENTS TO PROFESSIONALS (MOR-9)						
TOTAL DISBURSEMENTS (MOR-8)	<u>7,604.46</u>					

\*\*\*The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee\*\*\*

REQUIRED INSURANCE MAINTAINED  
AS OF SIGNATURE DATE EXP. DATE

CASUALTY LIABILITY YES ( ) NO (X)  
VEHICLE YES (X) NO ( )  
WORKER'S YES ( ) NO (X)  
OTHER Bus Pers Prop YES (X) NO ( )  
10-12-2019

ATTORNEY NAME: Jessica Hoff

FIRM: Hoff Law Offices, PC  
ADDRESS: 1200 Smith Street, 16th Floor  
CITY, STATE, ZIP: Houston, TX 77002  
TELEPHONE: 281-763-2067

Are all accounts receivable being collected within terms? Yes No  
Are all post-petition liabilities, including taxes, being paid within terms? Yes No  
Have any pre-petition liabilities been paid? Yes No If so, describe

Are all funds received being deposited into DIP bank accounts? Yes No  
Were any assets disposed of outside the normal course of business? Yes No  
If so, describe  
Are all U. S. Trustee Quarterly Fee Payments current? Yes No  
What is the status of your Plan of Reorganization?

I certify under penalty of perjury that the following complete  
Monthly Operating Report (MOR), consisting of MOR-1 through  
MOR-9 plus attachments, is true and correct.

SIGNED [Signature]  
(ORIGINAL SIGNATURE)

MOR-1

TITLE President

## COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	9/29/18	Dec 31					
CURRENT ASSETS							
Cash	7,824.67	1,711.77					
Accounts Receivable, Net	13,809.27	13,809.27					
Inventory: Lower of Cost or Market							
Prepaid Expenses							
Investments							
Other	71,000.00	71,000.00					
TOTAL CURRENT ASSETS	92,633.94	86,521.04					
PROPERTY, PLANT&EQUIP, @ COST	49,823.62	49,000.00					
Less Accumulated Depreciation							
NET BOOK VALUE OF PP & E							
OTHER ASSETS:							
1. Tax Deposits							
2. Investments in Subs							
3.							
4. (attach list)							
TOTAL ASSETS	142,457.56	135,521.04					

\*Per Schedules and Statement of Affairs

MOR-2



CASE NAME: Square Melons Inc

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## COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S EQUITY	FILING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
LIABILITIES:	9/24/18	Dec 31					
POST-PETITION LIABILITIES (MOR-4)							
PRE-PETITION LIABILITIES:							
Notes Payable-Secured	232,714.75	221,468.40					
Priority Debt							
Federal Income Tax							
FICA/Withholding	7,890.60	7,890.60					
Unsecured Debt	53,615.01	53,615.01					
Other							
TOTAL PRE-PETITION LIABILITIES							
TOTAL LIABILITIES	294,220.36	282,974.01					
OWNERS'S EQUITY (DEFICIT):							
PREFERRED STOCK							
COMMON STOCK							
ADDITIONAL PAID-IN CAPITAL							
RETAINED EARNINGS: Filing Date	445,361.99						
RETAINED EARNINGS: Post Filing Date		445,361.99					
TOTAL OWNERS'S EQUITY (NET WORTH)	-151,141.63	-162,387.98					
TOTAL LIABILITIES & OWNER'S EQUITY	294,220.36	282,974.01					

MOR-3

\*Per Schedules and Statement of Affairs

Revised 6/14/96

## SCHEDULE OF POST-PETITION LIABILITIES

	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
<u>TRADE ACCOUNTS PAYABLE</u>	December					
<u>TAX PAYABLE:</u>						
Federal Payroll Taxes	7,890.60					
State Payroll & Sales						
Ad Valorem Taxes						
Other Taxes						
TOTAL TAXES PAYABLE	7,890.60					
SECURED DEBT POST-PETITION						
ACCRUED INTEREST PAYABLE						
* ACCRUED PROFESSIONAL FEES:						
OTHER ACCRUED LIABILITIES:						
1.						
2.						
3.						
<u>TOTAL POST-PETITION LIABILITIES (MOR-3)</u>						

\* Payment Requires Court Approval.

MOR-4

CASE NAME: Square Melons IncCASE NUMBER: 18-35304

## AGING OF POST-PETITION LIABILITIES

MONTH December

DAYS	TOTAL	TRADE ACCTS	FED TAXES	STATE TAXES	AD-VALOREM, OTHER TAXES	OTHER
0-30						
31-60						
61-90						
91 +			7,890.60			
TOTAL			7,890.60			

## AGING OF ACCOUNTS RECEIVABLE

MONTH	December						
0-30 DAYS							
31-60 DAYS							
61-90 DAYS							
91 + DAYS	13,809.27						
TOTAL	13,809.27						

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## STATEMENT OF INCOME (LOSS)

MONTH	DeceMBER							FILING TO DATE
REVENUES (MOR-1)	6,170.00							
TOTAL COST OF REVENUES	3,585.77							
GROSS PROFIT	2,584.23							
OPERATING EXPENSES:								
Selling & Marketing								
General & Administrative	3,093.89							
Insiders Compensation	841.95							
Professional Fees								
Other (attach list)								
TOTAL OPERATING EXPENSES	3,935.84							
INCOME BEFORE INT. DEPR/TAX (MOR-1)	-1,351.61							
INTEREST EXPENSE								
DEPRECIATION								
OTHER (INCOME) EXPENSE*								
OTHER ITEMS**								
TOTAL INT, DEPR & OTHER ITEMS								
NET INCOME BEFORE TAXES	-1,351.61							
FEDERAL INCOME TAXES								
NET INCOME (LOSS) (MOR-1)	-1,351.61							

Accrual Accounting Required, Otherwise Footnote With Explanation

\* Footnote Mandatory

\*\* Unusual and/or infrequent item(s) outside the ordinary course of business; requires footnote

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CASE NAME: Square Melons IncCASE NUMBER: 18-35304

CASH RECEIPTS AND DISBURSEMENTS		MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	SIX MONTHS TO DATE
1. CASH - BEGINNING OF MONTH		December						
		3,146.23						
RECEIPTS:								
2. CASH SALES		6,170.00						
3. COLLECTION OF ACCOUNTS RECEIVABLE								
4. LOANS & ADVANCES (attach list)								
5. SALE OF ASSETS								
6. OTHER (attach list)								
TOTAL RECEIPTS								
(Withdrawal) Contribution by Individual Debtor MPR-2*								
DISBURSEMENTS:								
7. NET PAYROLL								
8. PAYROLL TAXES PAID								
9. SALES, USE & OTHER TAXES PAID								
10. SECURED / RENTAL / LEASES								
11. UTILITIES		530.10						
12. INSURANCE		82.85						
13. INVENTORY PURCHASES								
14. VEHICLE EXPENSES								
15. TRAVEL & ENTERTAINMENT		520.98						
16. REPAIRS, MAINTENANCE & SUPPLIES		181.63						
17. ADMINISTRATIVE & SELLING		5,446.95						
18. OTHER (attach list) <i>owner's draw</i>		841.95						
TOTAL DISBURSEMENTS FROM OPERATIONS								
19. PROFESSIONAL FEES								
20. U.S. TRUSTEE FEES								
21. OTHER REORGANIZATION EXPENSES (attach list)								
TOTAL DISBURSEMENTS		7,604.46						
22. NET CASH FLOW		-1,434.46						
23. CASH - END OF MONTH (mor-2)		1,711.77						

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\*Applies to Individual debtor's only.

Revised 6/14/96



CASE NAME: Square Melons Inc

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CASH ACCOUNT RECONCILIATION  
MONTH OF December

BANK NAME	<u>Wells Fargo</u>				
ACCOUNT NUMBER	# <u>9805488013</u>	#	#		
ACCOUNT TYPE	<u>OPERATING</u>	<u>PAYROLL</u>	<u>TAX</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
BANK BALANCE	<u>1,711.77</u>				
DEPOSIT IN TRANSIT					
OUTSTANDING CHECKS					
ADJUSTED BANK BALANCE	<u>1,711.77</u>				
BEGINNING CASH - PER BOOKS	<u>3,146.23</u>				
RECEIPTS	<u>6,170.00</u>				
TRANSFERS BETWEEN ACCOUNTS					
(WITHDRAWAL)/CONTRIBUTION- BY INDIVIDUAL, DEBTOR MFR-2					
CHECKS/OTHER DISBURSEMENTS	<u>7,604.46</u>				
ENDING CASH - PER BOOKS	<u>1,711.77</u>				

MOR-8



CASE NAME: Square Melons IncCASE NUMBER: 18-35304**PAYMENTS TO INSIDERS AND PROFESSIONALS**

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U. S. Bankruptcy Code) and the professionals. Also, for insiders identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary.)

INSIDERS: NAME/POSITION/COMP TYPE	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
1. <u>Safar Hassan / President / DDM</u>	<u>December</u>					
2.						
3.						
4.						
5.						
6.						
TOTAL INSIDERS (MOR-1)						

PROFESSIONALS NAME/ORDER DATE	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
1.						
2.						
3.						
4.						
5.						
6.						
TOTAL PROFESSIONALS (MOR-1)						

**MOR-9**

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Date	Amount	Description	Income	Merchant Fees	Insurance	Development Expense	Travel	Supplies	Meals and Entertainment	Telephone	Bank Fees	Utilities	Repairs and Maintenance	Dues and Subscriptions	Owners Draw
12/3/2018	\$ (82.85)	BUSINESS TO BUSINESS ACH US Insurance Fun Payments 181201 1081-129835 Safetee Hassan			\$ (82.85)										
12/3/2018	\$ (1,175.00)	WT FED090423 AMERICAN FIRST NAT /FTN/BNF=Transeo Labs, LLC SR#H OW00000344776850 TRN#181203086485 RBR# OW00000344776850				\$ (1,175.00)					\$ (30.00)				
12/3/2018	\$ (17.31)	PURCHASE AUTHORIZED ON 12/02 BUC-EE'S #31 RICHMOND TX					\$ (17.31)								
12/3/2018	\$ (57.57)	PURCHASE AUTHORIZED ON 12/01 WALGREENS STORE 17330 W G SUGAR LAND TX #0058835602A10234 CARD 5355						\$ (57.57)							
12/3/2018	\$ (177.99)	PURCHASE AUTHORIZED ON 12/01 HCTRA EZ TAG ONLINE 281-8753279 TX													
12/3/2018	\$ (6.27)	PURCHASE AUTHORIZED ON 12/01 SUBWAY 0052 KATY TX						\$ (177.99)							
12/3/2018	\$ (568.00)	PURCHASE AUTHORIZED ON 12/01 EBRANDZ INC 212-685-6060 NY			\$ (568.00)				\$ (6.27)						
12/3/2018	\$ (349.00)	PURCHASE AUTHORIZED ON 12/01 EBRANDZ INC 212-685-6060 NY				\$ (349.00)									
12/3/2018	\$ (422.30)	PURCHASE AUTHORIZED ON 12/01 VERIZON WRL AM ACC 800-9220204 CA								\$ (422.30)					
12/3/2018	\$ (17.40)	PURCHASE AUTHORIZED ON 11/30 BASKIN #B38339 SUGAR LAND TX								\$ (17.40)					
12/3/2018	\$ (48.04)	PURCHASE AUTHORIZED ON 11/30 SQ *CHICKEN HOLIDA SUGAR LAND TX								\$ (48.04)					
12/3/2018	\$ (30.00)	WIRE TRANS SVC CHARGE - SEQUENCE: 181203086485 SR#H OW00000344776850 TRN#181203086485 RBR# OW00000344776850								\$ (30.00)					
12/3/2018	\$ (184.98)	PURCHASE AUTHORIZED ON 12/03 COMCAST HOUSTON CS 800-266-2278 TX									\$ (184.98)				
12/3/2018	\$ (51.50)	BUSINESS TO BUSINESS ACH INTUIT PYMT SOLIN TRAN FEE 181205		\$ (51.50)											
12/3/2018	\$ (50.00)	ONLINE TRANSFER TO IMPROVERSOFT, INC BUSINESS CHECKING XXXXXX3351													
12/3/2018	\$ (1,025.00)	WT FED05311 AMERICAN FIRST NAT /FTN/BNF=Transeo Labs, LLC SR#H OW00000344776850 TRN#181205054866 RBR# OW00000344776850			\$ (1,025.00)										
12/3/2018	\$ (150.00)	ONLINE TRANSFER TO IMPROVERSOFT, INC BUSINESS CHECKING XXXXXX3351													
12/3/2018	\$ (30.00)	WIRE TRANS SVC CHARGE - SEQUENCE: 181205054866 SR#H OW00000344776850 TRN#181205054866 RBR# OW00000344776850								\$ (30.00)					
12/3/2018	\$ (1,500.00)	INTUIT PYMT SOLIN DEPOSIT 181205 524771994564695 SQUARE MELONS, INC.													
12/3/2018	\$ (32.94)	PURCHASE AUTHORIZED ON 12/06 BUC-EE'S #31 RICHMOND TX							\$ (32.94)						
12/3/2018	\$ (41.09)	PURCHASE AUTHORIZED ON 12/06 BUC-EE'S #31 RICHMOND TX							\$ (41.09)						
12/3/2018	\$ (75.00)	PURCHASE AUTHORIZED ON 12/06 THIRD COAST AQUARI HTTPSMERCHANT TX 5468340451947582 CARD 5355											\$ (75.00)		
12/3/2018	\$ (25.75)	BUSINESS TO BUSINESS ACH INTUIT PYMT SOLIN TRAN FEE 181208		\$ (25.75)											
12/3/2018	\$ (9.59)	RECURRING PAYMENT AUTHORIZED ON 12/08 SHOPHY * 57499717												\$ (9.59)	
12/3/2018	\$ (33.56)	PURCHASE AUTHORIZED ON 12/07 POLLO CAMPERO R067 HOUSTON TX													
12/3/2018	\$ (750.00)	INTUIT PYMT SOLIN DEPOSIT 181208 524771994564695 SQUARE MELONS, INC.													
12/3/2018	\$ (273.74)	PURCHASE AUTHORIZED ON 12/10 PANYPAL *SCIBLE PMS 402-935-7733 CA				\$ (273.74)									
12/3/2018	\$ (123.52)	COMCAST CABLE 181211 7814096 SAFERE *HASSAN										\$ (123.52)			
12/3/2018	\$ (50.00)	PURCHASE AUTHORIZED ON 12/11 SOC*CAHY PISCIELL 8774174551 CA													\$ (50.00)
12/3/2018	\$ (14.62)	PURCHASE AUTHORIZED ON 12/10 EMPRESS MARKET SUGAR LAND TX							\$ (14.62)						
12/3/2018	\$ (221.60)	PURCHASE AUTHORIZED ON 12/12 CITY OF SUGAR LAND 281-275-2756 TX										\$ (221.60)			
12/3/2018	\$ (2.97)	BUSINESS TO BUSINESS ACH INTUIT PYMT SOLIN TRAN FEE 181218												\$ (2.97)	
12/3/2018	\$ (2.97)	524771994564695 SQUARE MELONS, INC.													
12/3/2018	\$ (2.97)	INTUIT PYMT SOLIN DEPOSIT 181218 524771994564695 SQUARE MELONS, INC.													
12/3/2018	\$ (80.00)	PURCHASE AUTHORIZED ON 12/19 H-E-B #563 SUGARLAND TX												\$ (80.00)	
12/3/2018	\$ (18.85)	PO00000005-77113079 CARD 5355						\$ (18.85)							
12/3/2018	\$ (18.07)	RECURRING PAYMENT AUTHORIZED ON 12/19 EIG*Hostgator.com 713-5785287 MA 53883540846702 CARD 5355												\$ (18.07)	
12/20/2018	\$ (32.81)	PURCHASE AUTHORIZED ON 12/19 SQ *PROFESSIONAL H HAATY TX													\$ (32.81)
12/20/2018	\$ (51.95)	PURCHASE AUTHORIZED ON 12/19 RPT*Fort Bend ISD 281-6341000 TX													\$ (51.95)
12/20/2018	\$ (51.95)	5468354095885817 CARD 5355													
12/26/2018	\$ (25.75)	BUSINESS TO BUSINESS ACH INTUIT PYMT SOLIN TRAN FEE 181225													
12/26/2018	\$ (25.75)	524771994564695 SQUARE MELONS, INC.													
12/26/2018	\$ (750.00)	INTUIT PYMT SOLIN DEPOSIT 181225 524771994564695 SQUARE MELONS, INC.													
12/27/2018	\$ (2.63)	BUSINESS TO BUSINESS ACH INTUIT PYMT SOLIN TRAN FEE 181227													
12/27/2018	\$ (2.63)	524771994564695 SQUARE MELONS, INC.													
12/27/2018	\$ (2.63)	PURCHASE AUTHORIZED ON 12/26 INTERMEDIA NET INC 800-379-7729 WIA													
12/27/2018	\$ (439.29)	530836079742209 CARD 5355													\$ (439.29)



